



SHARE PURCHASE PLAN OFFER DOCUMENT 13 NOVEMBER 2020

**GO TO WWW.SHAREOFFER.CO.NZ/SYNLAIT FOR MORE
INFORMATION AND TO APPLY ONLINE.**

This is an important document. You should read the whole document before deciding whether to subscribe for shares. If you have any doubts as to what you should do, please consult your broker, financial, investment or other professional adviser.

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IN THE UNITED STATES**

This document does not constitute an offer of securities in any place outside New Zealand or Australia. In particular, this document does not constitute an offer to sell, or a solicitation of an offer to buy, any shares in the United States or in any jurisdiction in which such an offer would be illegal. The offer

and sale of the shares referred to in this document have not been, and will not be, registered under the U.S. Securities Act of 1933 or the securities laws of any state or other jurisdiction of the United States and accordingly, such shares may not be offered, sold or otherwise transferred, directly or indirectly, in the United States or to any person acting for the account or benefit of a person in the United States (to the extent such person is acting for the account or benefit of a person in the United States). You must not send copies of this document or any other material relating to the Share Purchase Plan to any person in the United States or, except with the consent of Synlait, elsewhere outside New Zealand and Australia.

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IMPORTANT INFORMATION

GENERAL INFORMATION

This Offer Document has been prepared by Synlait Milk Limited (**Synlait**) in connection with an offer of new ordinary shares (**Offer Shares**) under a share purchase plan (the **Offer**).

In New Zealand the Offer is made to Eligible Shareholders under the exclusion in clause 19 of Schedule 1 of the Financial Markets Conduct Act 2013 (**FMCA**) and in reliance on a class waiver and ruling issued by NZX Regulation dated 30 September 2020 (**Class Waiver**) and a waiver issued by NZX Regulation in favour of Synlait dated 10 November 2020 (**Synlait Waiver**, together with the Class Waiver, the **NZX Waivers**).

In Australia the Offer is made to Eligible Shareholders in accordance with the relief granted under ASIC Corporations (Share and Interest Purchase Plans) Instrument 2019/547 and as amended by ASIC Instrument 20-1052.

This Offer Document is not a product disclosure statement or prospectus for the purposes of the FMCA or the Corporations Act 2001 (Cth) or any other law, and does not contain all of the information which may be required in order to make an informed investment decision about the Offer or Synlait.

FURTHER IMPORTANT INFORMATION

A presentation providing further important information in relation to Synlait and the Offer has been published by Synlait on 10 November 2020 (the **Investor Presentation**). A copy of the Investor Presentation and other important information released on 10 November 2020 are available at www.nzx.com and www.asx.com.au under the ticker code "SML" and "SM1", respectively.

The Investor Presentation includes details of the rationale for the Offer. It also provides an update as to guidance for the current financial year and explains in more detail the expected impact of the Offer, including a non-exhaustive summary of certain key risks associated with Synlait and the Offer.

You should read the Investor Presentation in full, as it contains important information to assist you in making an investment decision in respect of the Offer. In particular, you should read and consider pages 18 to 23 of the Investor Presentation ("Key Risks") before making an investment decision.

ADDITIONAL INFORMATION AVAILABLE UNDER CONTINUOUS DISCLOSURE OBLIGATIONS

Synlait is subject to continuous disclosure obligations under the Listing Rules and the ASX Listing Rules. Market releases by Synlait are available at www.nzx.com and www.asx.com.au under the ticker code "SML" and "SM1", respectively.

You are strongly cautioned not to place undue reliance on any forward-looking statements such as indications of, and guidance on, future earnings and financial position and performance in any market releases made by Synlait, particularly in light of the current economic climate and the significant volatility, uncertainty and disruption caused by the outbreak of COVID-19.

In particular, Synlait recommends that you read its market announcements (together with the materials attached to

those announcements) and in particular its recent announcements regarding:

- the Offer released on 10 November 2020 (including the Investor Presentation accompanying that announcement);
- the settlement of the Pokeno land covenant dispute released on 6 November 2020;
- Synlait signing a new multinational customer agreement released on 5 November 2020;
- Synlait's annual report for the year ended 31 July 2020 released on 27 October 2020;
- Synlait's annual financial statements and results presentation for the year ended 31 July 2020 released on 28 September 2020; and
- response to The a2 Milk Company Limited's announcement released on 21 August 2020.

Synlait may, during the Offer, make additional releases to NZX and ASX. Shareholders should monitor Synlait's market announcements during the period of the Offer.

No release by Synlait to NZX or ASX will permit an applicant to withdraw any previously submitted Application without Synlait's prior written consent, whether or not there has been any permissible variation of the Offer.

MARKET RISK

The market price for the Shares may change materially between the date this Offer opens, the date you apply for Offer Shares under the Offer, and the date on which the Shares are allotted to you. This is particularly the case given the wide fluctuations and volatility in the share prices for many listed companies in recent times due to the continuing impacts of COVID-19. There is no certainty that this recent volatility will not continue or worsen, which could have a materially adverse impact on the share price for Synlait. Accordingly:

- the price paid for Offer Shares may be higher or lower than the price at which Shares are trading on the NZX Main Board or the ASX at the time Shares are issued under the Offer;
- the market price of Offer Shares following allotment may be higher or lower than the Issue Price; and
- it is possible that up to or after the Allotment Date, you may be able to buy Shares at a lower price than the Issue Price.

WITHDRAWAL AND DATE CHANGES

Subject to compliance with all applicable laws, Synlait reserves the right at its absolute discretion to withdraw all or any part of the Offer and to alter the dates set out in this Offer Document.

OFFERING RESTRICTIONS

This Offer Document is intended for use only in connection with the Offer to Eligible Shareholders with a registered address in New Zealand and Australia. This Offer Document does not constitute an offer or invitation in any place in which, or to any person to whom, it would not be lawful to make such an offer or invitation.

No action has been taken to permit a public offering of the Offer Shares in any jurisdiction outside New Zealand and Australia. The distribution of this Offer Document (including an electronic version) in a jurisdiction outside New Zealand and Australia may be restricted by law and persons who come into possession of it (including nominees, trustees or custodians) should seek advice on and observe any such restrictions. Any failure to comply with such restrictions may contravene applicable securities law. Synlait disclaims all liability in respect of any such contravention by any other person.

No person may subscribe for, purchase, offer, sell, distribute or deliver the Offer Shares, or be in possession of, or distribute to any other person, any offering material or any documents in connection with the Offer Shares, in any jurisdiction other than in compliance with all applicable laws and regulations. Without limiting the foregoing, this Offer Document may not be released or distributed in the United States. This Offer Document does not constitute an offer to sell, or a solicitation of an offer to buy, any securities in the United States. The Offer Shares have not been, and will not be, registered under the U.S. Securities Act or the securities laws of any state or other jurisdiction of the United States. Accordingly, the Offer Shares may not be offered, sold or otherwise transferred, directly or indirectly, in the United States or to any person acting for the account or benefit of a person in the United States (to the extent such person is acting for the account or benefit of a person in the United States).

DECISION TO PARTICIPATE IN THE OFFER

The information in this Offer Document does not constitute a recommendation to acquire or invest in Offer Shares and is not financial product advice to you or any other person. This Offer Document has been prepared without taking into account your investment objectives, financial or taxation situation or particular needs or circumstances.

Before deciding whether to invest in Offer Shares, you must make your own assessment of the risks associated with an investment in Synlait (including the inherent uncertainties as to the impact of COVID-19 and the summary of key risks on pages 18 to 23 of the Investor Presentation ("Key Risks")), and consider whether such an investment is suitable for you having regard to publicly available information (including the Investor Presentation), your personal circumstances and following consultation with a financial or other professional adviser. Please read this Offer Document carefully and in full before making that decision.

NON-STANDARD DESIGNATION

Synlait has been designated as a 'Non-Standard' (NS) issuer by NZX due to the nature of the Constitution. In particular, Bright Dairy and Food Co Limited (which holds its shares in Synlait through its wholly-owned subsidiary, Bright Dairy Holding Limited) has the right to appoint four Directors to the Board. Further details of these director appointment rights are included on pages 165 to 168 of Synlait's Annual Report for the financial year ended 31 July 2020.

NZX WAIVERS

Synlait is making the Placement and the Offer in reliance on the NZX Waivers, comprising the Class Waiver and the Synlait Waiver. The Class Waiver provides a waiver from Listing Rule 4.5 and a

ruling in relation to the definition of "share purchase plan", and the Synlait Waiver provides waivers from Listing Rules 4.5.1, 4.5.1(e)(iii), 4.19.1 and 5.2.1.

The effect of the NZX Waivers in the context of the Placement and the Offer is to permit:

- an increased number of Shares (from what is otherwise provided for under the Listing Rules) to be issued under the Placement and the Offer without shareholder approval;
- the Offer to be fully underwritten, to allow any Offer Shares not taken up by eligible shareholders under the Offer to be issued to other persons without requiring shareholder approval (which when aggregated with the number of Shares issued under the Placement, may exceed the Placement threshold provided under the Listing Rules as modified by the Class Waiver);
- Bright, The a2 Milk Company Limited and other Related Parties to be issued Shares in the Placement having an aggregate value above 10% of Synlait's Average Market Capitalisation without shareholder approval (as such terms are defined in the Listing Rules); and
- Bright to be issued such number of Shares under the Placement (including certain of those Shares on the Allotment Date) that will ensure it is not diluted as a result of the Offer, which would otherwise cause Bright to lose its director appointment rights under the Constitution. Further details of these director appointment rights are included on pages 165 to 168 of Synlait's Annual Report for the financial year ended 31 July 2020.

The Synlait Waivers are subject to certain conditions, as set out in the terms of such waivers (a copy of which is available at www.nzx.com and www.asx.com.au under the ticker code "SML" and "SM1", respectively). The conditions include that the waivers are disclosed in this Offer Document and in Synlait's annual report for the financial year ending 31 July 2021 and that certain certifications are provided by Synlait directors to NZX Regulation.

ASIC RELIEF

Synlait has obtained specific ASIC relief to allow Australian investors to participate in the Offer up to NZ\$50,000. However, Synlait has set the maximum Australian dollar application amount at A\$47,000 to allow for NZ\$/AU\$ exchange rate movements up to the closing date of the Offer.

NO GUARANTEE

No person named in this Offer Document (nor any other person) guarantees the Offer Shares to be issued pursuant to the Offer or warrants the future performance of Synlait or any return on any investment made pursuant to this Offer Document.

PRIVACY

Any personal information you provide in your Application will be held by Synlait and/or the Registrar at the addresses set out in the Directory. Synlait and/or the Registrar may store your personal information in electronic format, including in online storage on a server or servers which may be located in New Zealand or overseas. This information will be used for the

purposes of administering your investment in Synlait.

This information will only be disclosed to third parties with your consent or if otherwise required by law. Under the Privacy Act 1993 and the Australian Privacy Act 1988 (Cth), you have the right to access and correct any personal information held about you.

ENQUIRIES

Enquiries about the Offer can be directed to an NZX Primary Market Participant, ASX broker, or your solicitor, accountant or other professional adviser. If you have any questions about how to apply online or complete the Application Form, please contact the Registrar as set out in the Directory.

TIMES, CURRENCY AND LAWS

Unless otherwise stated, all references in this Offer Document to times and dates are to times and dates in New Zealand, all references to currency are to New Zealand dollars, and all references to applicable statutes and regulations are references to New Zealand statutes and regulations.

DEFINED TERMS

Capitalised terms used in this Offer Document have the specific meaning given to them in the Glossary at the back of this Offer Document or in the relevant section of this Offer Document. Words importing the plural include the singular and vice versa.



LETTER FROM THE CHAIR

Dear Shareholder,

OFFER DETAILS

On 10 November 2020 we announced plans to raise approximately NZ\$200 million of new equity through a placement of new shares (Placement) of approximately NZ\$180 million and a share purchase plan (the Offer) of NZ\$20 million (together, the Capital Raising). The Placement was completed on 11 November 2020 and is expected to successfully raise approximately NZ\$180 million.

On behalf of the Board, I invite all eligible shareholders to participate in the Offer. Eligible shareholders are those who were recorded in Synlait's share register at 7:00pm NZDT / 5:00pm AEDT on 9 November 2020 as being a holder of Synlait shares and having an address in New Zealand or Australia.

This opportunity gives all eligible shareholders in New Zealand and Australia the opportunity to purchase up to NZ\$50,000 / A\$47,000 of new shares in Synlait (subject to scaling) without incurring brokerage or other transaction costs, at the lower of \$5.10 (being the same price as the Placement) or a 2.5% discount to the 5-day volume weighted average market price prior to the Offer close. The new shares are expected to be allotted on or around 1 December 2020. They will rank equally with existing Synlait shares at that date.

OFFER RATIONALE

Proceeds from the Capital Raising will support Synlait to complete the investment phase of its strategy. This includes the customisation of Synlait Pokeno and Auckland for processing and packaging equipment to service our new multinational customer.

In addition to this, proceeds will be used to strengthen our balance sheet to provide more financial headroom as Synlait navigates COVID-19, which is having an unpredictable impact on the stability of its current and future earnings, and to create capacity to deliver on our purpose: *Doing Milk Differently For A Healthier World*.

OFFER PARTICIPATION

Participation in the Offer is optional, and eligible shareholders have the option to apply for as many or as few new shares in the Offer as they want, up to the cap of NZ\$50,000 / A\$47,000. This is the maximum amount permitted under the NZX Listing Rules, as increased by the recent class waiver granted by NZX. Synlait has obtained specific ASIC relief to allow Australian investors to participate up to NZ\$50,000. However, Synlait has set the maximum Australian dollar application amount at A\$47,000 to allow for NZ\$/AU\$ exchange rate movements up to the closing date of the Offer.

If the Offer is oversubscribed, applications will be scaled having regard to existing shareholdings on 7:00pm NZDT / 5:00pm AEDT on 9 November 2020 (being the Record Date for the Offer). We encourage you to read this Offer Document and to seek investment advice from a suitably qualified professional adviser before you consider investing.

If you decide to participate in the Offer, please complete either the physical Application Form accompanying this Offer Document or an online application by 7:00pm NZDT / 5:00pm AEDT on 25 November 2020. **Online applications at www.shareoffer.co.nz/synlait are strongly encouraged.**

FURTHER INFORMATION

We encourage you to read through all of Synlait's recent announcements, particularly the investor presentation and other materials released on 10 November 2020 at www.nzx.com and www.asx.com.au under the ticker code "SML" and "SM1", respectively. In particular, please read and consider pages 18 to 23 of the investor presentation ("Key Risks") for a non-exhaustive summary of certain key risks associated with Synlait and the Offer, before making an investment decision. You can also access information, including the investor presentation and announcements regarding the Offer on the following website at www.shareoffer.co.nz/synlait.

If you have any questions about the Offer, please call Synlait's share registrar, Computershare, on 0800 650034 (toll free within New Zealand) or +61 03 9415 5000 (within Australia) from 8.30am to 5.00pm Monday to Friday (excluding public holidays), or contact your financial adviser or other professional adviser.

The Capital Raising is supported by Synlait's cornerstone shareholders, Bright Dairy Holding Limited and The a2 Milk Company, who have indicated their participation by providing pre-commitments to participate in the Capital Raising. Synlait has guaranteed an allocation to those shareholders of approximately \$114 million in total, representing approximately 57% of the total Capital Raising. Further, each of Synlait's New Zealand resident directors have indicated they intend to participate in the Capital Raising.

On behalf of the Board, thank you for your continued support, and we welcome your consideration of, and participation in, the Offer.



Graeme Milne ONZM
Chair
Synlait Milk Limited

PART 1: KEY DETAILS

Equal participation	Each Eligible Shareholder has the right to apply for the same dollar amount of Offer Shares and on the same terms and conditions as each other Eligible Shareholder.
Application amount	<p>You can apply for a dollar amount of Offer Shares up to a maximum value of NZ\$50,000 / A\$47,000 of Offer Shares.</p> <p>Synlait is accepting Applications for up to NZ\$20 million of Offer Shares in aggregate. Applications may need to be scaled depending on the Applications received. Any scaling of Applications will be carried out in accordance with clause 9 of the Terms and Conditions.</p> <p>If you apply in A\$, see clause 5.3 of the Terms and Conditions in Part 4 for further details regarding the maximum value of A\$ that may be applied for.</p>
Issue Price	<p>The lower of:</p> <p>(a) NZ\$5.10 per Offer Share (representing a 14% discount to Synlait's last trading share price of NZ\$5.93 on the NZX on 9 November 2020 (being the last trading day before the Placement was announced) and which is the same price paid by investors in the Placement); and</p> <p>(b) a 2.5% discount to the volume weighted average market price of the Shares traded on the NZX over the five business day period prior to and including the Closing Date, rounded down to the nearest cent.</p> <p>If you apply in A\$, see clause 3.2 of the Terms and Conditions in Part 4 for further details regarding the A\$ Price.</p>
Underwriting	The Offer is fully underwritten by Jarden Partners Limited on terms customary for an offer of this nature, including relevant termination events, representations, warranties and indemnities. Further details in relation to the underwriting are set out in the Investor Presentation.
When to apply	Applications must be received by 7.00pm NZDT / 5.00pm AEDT on the Closing Date (25 November 2020, unless extended).
How to apply	<p>Eligible Shareholders may apply online at www.shareoffer.co.nz/synlait or by completing and returning the personalised Application Form accompanying this Offer Document together with payment, in accordance with the instructions.</p> <p>Online Applications at www.shareoffer.co.nz/synlait are strongly encouraged.</p> <p>If you are a Custodian, you also need to complete and return a Custodian Certificate. To determine whether you are a Custodian, and how to obtain a Custodian Certificate, refer to clause 4 of the Terms and Conditions. You need to return your completed Application Form (and, if applicable, a Custodian Certificate) to the address on the Application Form.</p>
Receiving your Offer Shares	You will receive your Offer Shares on the Allotment Date (1 December 2020, unless extended).

PART 2: KEY DATES*

Date	Event	
7.00pm NZDT / 5.00pm AEDT on 9 November 2020	Record Date	The date on which Eligible Shareholders are determined.
13 November 2020	Opening Date	Offer documents sent to Eligible Shareholders. Offer opens.
25 November 2020	Closing Date	Offer closes. Applications (with payment) must be received by 7.00pm NZDT / 5.00pm AEDT.
30 November 2020	Issue Price and results of the Offer	Issue Price (in New Zealand dollars and in Australian dollars) and results of the Offer announced.
1 December 2020	Settlement Date, Allotment Date and commencement of trading on the NZX Main Board	Settlement and allotment on both the NZX Main Board and ASX and Shares are expected to commence trading on the NZX Main Board. Allotment of Bright Deferred Placement Shares.
2 December 2020	ASX commencement of trading	Shares are expected to commence trading on the ASX.
9 December 2020	Despatch Date	Transaction confirmation despatched to participating Eligible Shareholders.

* Synlait reserves the right to alter the key dates, subject to applicable laws and the Listing Rules. Synlait reserves the right to withdraw the Offer at any time prior to the issue of the Offer Shares at its absolute discretion.

PART 3: QUESTIONS AND ANSWERS

These Questions and Answers are a summary only and you should refer to the attached Terms and Conditions for further information.

1. WHAT IS THE OFFER?

The Offer allows Eligible Shareholders to purchase Offer Shares without incurring brokerage or other transaction costs. Synlait is inviting Applications for up to NZ\$20 million of Offer Shares in aggregate.

All Offer Shares will be of the same class as, and rank equally with, all Shares currently on issue. The Offer Shares will, immediately after issue, be quoted on the NZX Main Board and the ASX.

2. WHAT WILL THE PROCEEDS BE USED FOR?

Synlait is raising equity under the Offer and the Placement to:

(a) complete the investment phase of its strategy, including the customisation of Synlait Pokeno and Auckland for processing and packaging equipment to service its new multinational customer; and

(b) strengthen its balance sheet to:

- provide more financial headroom as it navigates COVID-19, which is having an unpredictable impact on the stability of its current and future earnings; and
- create capacity to deliver on its purpose: *Doing Milk Differently For A Healthier World*.

3. AM I ELIGIBLE?

Shareholders with a registered address in New Zealand or Australia at 7.00pm NZDT / 5.00pm AEDT on the Record Date are eligible to participate in the Offer. Please refer to clause 2 of the Terms and Conditions.

4. WHAT IS THE PRICE OF THE OFFER SHARES?

The Issue Price will be the lower of:

(a) NZ\$5.10 per Offer Share (representing a 14% discount to Synlait's last trading share price of NZ\$5.93 on the NZX Main Board on 9 November 2020 (being the last trading day before the Placement was announced) and which is the same price paid by investors in the Placement); and

(b) a 2.5% discount to the volume weighted average market price of the Shares traded on the NZX Main Board over the five business day period prior to and including the Closing Date, rounded down to the nearest cent.

The Issue Price will be fixed as at 7.00pm NZDT / 5.00pm AEDT on 25 November 2020 (being the Closing Date) and is expected to be announced through NZX and ASX on 30 November 2020.

Please refer to clause 5.3 of the Terms and Conditions for further details on how the Issue Price in A\$ will be set.

5. HOW MANY OFFER SHARES CAN I PURCHASE?

Eligible Shareholders may elect to apply for a dollar amount of Offer Shares up to a maximum value of NZ\$50,000 / A\$47,000. Synlait has obtained specific ASIC relief to allow Australian investors to participate up to NZ\$50,000 worth of Offer Shares. However, Synlait has set the maximum Australian dollar application amount at A\$47,000 to allow for NZ\$/A\$ exchange rate movements up to the Closing Date.

You should make payment by way of electronic funds transfer to Synlait for the value applied for.

If you apply for an Australian dollar amount of Offer Shares, Synlait will convert the New Zealand dollar Issue Price to Australian dollars at the Exchange Rate. If this results in the A\$ amount you applied for exceeding the NZ\$50,000 regulatory limit, Offer Shares having a total issue price equal to NZ\$50,000 (rounded down) will be issued to you (subject to scaling) and you will be refunded the excess cash amount if it is greater than NZ\$5.00.

Synlait is accepting Applications for up to NZ\$20 million of Offer Shares in aggregate. Applications may need to be scaled depending on the Applications received. Any scaling of Applications will be carried out in accordance with clause 9 of the Terms and Conditions.

6. ARE THERE ANY CONDITIONS TO THE OFFER?

No. However, Synlait reserves the right to terminate the Offer at any time prior to the issue of Offer Shares on the Allotment Date. If the Offer is terminated for any reason, all Application monies will be returned to you and no Offer Shares will be allotted under the Offer. No interest will be payable on any monies returned to you. Refunds will not be paid for any difference arising solely due to rounding or where the aggregate amount of the refund payable to you is less than NZ\$5.00.

7. WHAT IF I OWN SHARES THROUGH A TRUSTEE OR CUSTODIAN?

If you own Shares through a trustee or Custodian, then subject to certain certification requirements and other conditions, you may instruct the trustee or Custodian to purchase Offer Shares on your behalf, up to the NZ\$50,000 / A\$47,000 limit.

If you own Shares through a trustee or Custodian and also own Shares in your own name, then you may either purchase Offer Shares yourself or instruct your trustee or Custodian to purchase Offer Shares on your behalf. You may not do both.

If you are a Custodian or hold Shares through a Custodian, please refer to clause 4 of the Terms and Conditions.

8. WHAT ABOUT JOINT HOLDERS?

Joint holders are treated as a single shareholder under the terms of the Offer. As a group, they can apply for a dollar amount of Offer Shares up to a maximum value of NZ\$50,000 / A\$47,000.

9. DO I HAVE TO PARTICIPATE?

No. Participation is entirely voluntary.

10. WILL MY SHAREHOLDING BE DILUTED IF I DO NOT PARTICIPATE?

If you choose not to participate in the Offer, your shareholding percentage in Synlait will be diluted. For example, assuming that NZ\$200 million is raised under the Placement and the Offer and the Offer Shares are issued at NZ\$5.10 per Offer Share, approximately 3,921,568 Shares will be issued and if you do not elect to acquire any Offer Shares in the Offer (and did not receive any Shares under the Placement), your shareholding will be diluted by approximately 17.9%.

This dilution will relate only to your percentage shareholding of Synlait as the number of Shares that you hold will not change as a result of not participating in the Offer.

The Offer is not a pro-rata offer and, even if you participate in the Offer, your shareholding percentage in Synlait may change.

11. IS THIS OFFER TRANSFERABLE TO ANOTHER PERSON?

No. This Offer is personal to you and you may not transfer your right to purchase Offer Shares under the Offer to anyone else.

12. WHAT ARE THE RISKS TO INVESTING IN THE OFFER?

The events relating to COVID-19 have recently resulted in significant market falls and volatility in New Zealand, Australia and overseas, including the prices of securities traded on NZX Main Board and ASX.

The market price of Shares may change materially between the date this Offer opens, the date you apply for Offer Shares under the Offer, and the date on which the Shares are allotted to you. This is particularly the case given the wide fluctuations and volatility in the share prices for many listed companies in recent times due to the continuing impacts of COVID-19. There is no certainty that this recent volatility will not continue or worsen, which could have a materially adverse impact on the share price for Synlait. Accordingly:

- the price paid for Offer Shares may be higher or lower than the price at which Shares are trading on the NZX Main Board or the ASX at the time Shares are issued under the Offer;
- the market price of Offer Shares following allotment may be higher or lower than the Issue Price; and
- it is possible that up to or after the Allotment Date, you may be able to buy Shares at a lower price than the Issue Price.

Risks associated with returns on investments are particularly acute during periods of elevated global financial market volatility.

You should:

- (a) seek your own financial advice in relation to this Offer and your participation under the Offer; and
- (b) read the Investor Presentation in full, as it contains important information to assist you in making an investment decision in respect of the Offer. In particular, you should read and consider pages 18 to 23 of the Investor Presentation ("Key Risks") before making an investment decision.

13. WHERE CAN I GET FURTHER INFORMATION?

You should read the Investor Presentation and other important information released on 10 November 2020, which is available at www.nzx.com and www.asx.com.au under the ticker code "SML" and "SM1", respectively.

The Investor Presentation includes details of the rationale for the Offer. It also provides an update as to guidance for the current financial year and explains in more detail the expected impact of the Offer, including a non-exhaustive summary of certain key risks associated with Synlait and the Offer. You should read the Investor Presentation in full, as it contains important information to assist you in making an investment decision in respect of the Offer. In particular, you should read and consider pages 18 to 23 of the Investor Presentation ("Key Risks") before making an investment decision.

Further information about Synlait, including its most recent financial statements released on 28 September 2020, can be obtained from Synlait's website: www.synlait.com. You may obtain, free of charge, the most recent annual report and financial statements of Synlait by contacting Synlait (for details please see the Directory), or you may download the documents from Synlait's website: www.synlait.com.

Synlait is subject to continuous disclosure obligations under the Listing Rules and the ASX Listing Rules. Market releases by Synlait are available at www.nzx.com and www.asx.com.au under the ticker code "SML" and "SM1", respectively. Synlait may, during the Offer, make additional releases to NZX and ASX. Shareholders should monitor Synlait's market announcements during the period of the Offer. No release by Synlait to NZX or ASX will permit an applicant to withdraw any previously submitted Application without Synlait's prior written consent, whether or not there has been any permissible variation of the Offer.

You are strongly cautioned not to place undue reliance on any forward-looking statements such as indications of, and guidance on, future earnings and financial position and performance in any market releases made by Synlait, particularly in light of the current economic climate and the significant volatility, uncertainty and disruption caused by the outbreak of COVID-19.

You should read the information referred to in the Important Information section of this Offer Document under the headings "Further Important Information" and "Additional information available under continuous disclosure obligations".

14. WHAT IS THE CURRENT SHARE PRICE?

The market price of the Shares is quoted on the NZX website at www.nzx.com and on the ASX website at www.asx.com.au.

15. HOW DO I APPLY FOR OFFER SHARES UNDER THE OFFER?

If you wish to participate in the Offer, you may apply online at www.shareoffer.co.nz/synlait or by following the step-by-step instructions set out on the reverse of the enclosed personalised Application Form.

If you apply online you will need your CSN / Holder Number (or your HIN or SRN if you are an Eligible Shareholder based in Australia). You must pay for your Application electronically by electronic funds transfer to Synlait.

If you apply using the Application Form, scan and email your completed Application Form to the Registrar at synlait@computershare.co.nz (please put "Synlait Share Purchase Plan" in the subject line for easy identification) or send your completed Application Form (and, if applicable, your Custodian Certificate) to the Registrar at the relevant address set out in the Directory, and make payment by electronic funds transfer, as set out in the instructions on the Application Form by the Closing Date.

Online Applications at www.shareoffer.co.nz/synlait are strongly encouraged.

You will not be able to withdraw or revoke your Application once you have sent it in.

16. HOW LONG IS THE OFFER OPEN AND WHEN WILL I RECEIVE MY OFFER SHARES?

The Offer opens on 13 November 2020 and is expected to close at 7.00pm NZDT / 5.00pm AEDT on 25 November 2020, unless extended. If you want to participate you should ensure your Application and payment is received by 7.00pm NZDT / 5.00pm AEDT on 25 November 2020.

Please allow adequate time for mail deliveries to be received and electronic funds transfers to be cleared into Synlait's bank account by this time. Applications received after this time may not be accepted.

Online Applications at www.shareoffer.co.nz/synlait are strongly encouraged.

You will receive the Offer Shares issued to you under the Offer on the Allotment Date, which is currently expected to be on or around 1 December 2020. Confirmation of the number of Offer Shares issued to you under the Offer will be sent on the Despatch Date, currently expected to be on or around 9 December 2020.

17. HOW MANY OFFER SHARES WILL I RECEIVE?

Subject to scaling, you will receive the number of Offer Shares equal to the dollar amount of Offer Shares you have validly applied for (and payment has been received in respect of) divided by the Issue Price. If you have applied for an Australian dollar amount of Offer Shares, your Application monies will be converted to New Zealand dollars as described in Question 5 above (How many Offer Shares can I purchase?). If the dollar amount of Offer Shares you have applied for (or are allocated) does not equal a whole number of Offer Shares once divided by the Issue Price, the number of Offer Shares allotted to you will be rounded down to the nearest Offer Share.

Any scaling of Applications will be carried out in accordance with clause 9 of the Terms and Conditions.

18. WILL THE OFFER SHARES BE QUOTED?

The Offer Shares will be quoted on the NZX Main Board and the ASX. It is expected that you will be able to commence trading the Offer Shares allotted to you under the Offer on the NZX Main Board on the Allotment Date and on the ASX on 2 December 2020 (being the day after the Allotment Date).

19. WHY IS THERE A MAXIMUM APPLICATION AMOUNT?

The Offer needs to comply with the conditions imposed by the Listing Rules and ASIC Corporations (Share and Interest Purchase Plans) Instrument 2019/547 and as amended by ASIC Instrument 20-1052. The offer of Offer Shares up to a maximum value of NZ\$50,000 / A\$47,000 per Eligible Shareholder is being undertaken:

(a) in New Zealand under Listing Rule 4.3.1(c) (Share Purchase Plan), as modified by the Class Waiver; and

(b) in Australia in accordance with the relief granted under ASIC Corporations (Share and Interest Purchase Plans) Instrument 2019/547 and as amended by ASIC Instrument 20-1052.

20. WHAT IS SYNLAIT'S DIVIDEND POLICY?

With a continuing growth agenda, Synlait does not expect to be paying dividends in the foreseeable future. This means that it is unlikely that you will receive any dividend payments from Synlait in respect of your Shares (including any Offer Shares) in the foreseeable future.

21. WHY ARE NOT ALL SHAREHOLDERS ELIGIBLE TO PARTICIPATE IN THE OFFER?

Synlait considers that the legal requirements of jurisdictions other than New Zealand and Australia are such that it would be unduly onerous for Synlait to make the Offer in those jurisdictions. This decision was made having regard to the number of Shareholders in such overseas jurisdictions and the costs of complying with overseas legal requirements.

22. FURTHER ASSISTANCE

If you have any further questions, please contact your broker, financial, investment or other professional advisor before making your investment decision.

If you have any questions about how to apply online or complete the Application Form, please contact the Registrar as set out in the Directory.

PART 4: TERMS AND CONDITIONS

If you apply to participate in the Offer by completing an online application or completing and returning an Application Form (and, if applicable, a Custodian Certificate), you are accepting the risk that the market price of Shares may change between the Opening Date, the date at which you send in an Application and the Allotment Date. This means that it is possible that up to or after the Allotment Date, you may be able to buy Shares at a lower price than the Issue Price.

We encourage you to seek your own financial advice regarding your participation in the Offer.

Consistent with the representations, warranties and acknowledgements contained in these Terms and Conditions and the Application Form, you may not submit any completed Application Forms for any person outside New Zealand and Australia. Failure to comply with these restrictions may result in a violation of applicable securities laws.

1. OFFER TIMETABLE

Record Date:	Eligible Shareholders registered at 7.00pm NZDT / 5.00pm AEDT on 9 November 2020 may participate in the Offer.
Opening Date:	The Offer opens on 13 November 2020. This Offer Document is sent to Eligible Shareholders on 13 November 2020.
Closing Date:	The Offer closes at 7.00pm NZDT / 5.00pm AEDT on 25 November 2020, unless extended. Applications must be received by this time. Applications may, at Synlait's option, not be processed or held to be valid if they have not been received by this time.
Issue Price and results of the Offer announced:	Issue Price (in New Zealand dollars and in Australian dollars) will be announced along with the results of the Offer through NZX and ASX on 30 November 2020.
Settlement Date	Settlement on the NZX Main Board and ASX on 1 December 2020.
Allotment Date:	The Offer Shares are proposed to be allotted on or around 1 December 2020.
Commencement of trading on the NZX Main Board:	Synlait expects the Offer Shares will commence trading on the NZX Main Board on the Allotment Date.
Commencement of trading on the ASX	Synlait expects the Offer Shares will commence trading on the ASX on 2 December 2020.
Despatch Date:	Synlait expects that a transaction confirmation will be despatched to you on or around 9 December 2020.

Synlait has a discretion to change, at any time, any of the Closing Date, the Allotment Date and the Despatch Date (notwithstanding that the Offer has opened, or Applications have been received) by lodging a revised timetable with NZX and ASX.

2. ELIGIBLE SHAREHOLDERS

2.1. You may participate in the Offer if you are an Eligible Shareholder. An Eligible Shareholder is a person who, at 7.00pm NZDT / 5.00pm AEDT on the Record Date, was recorded in Synlait's share register as being a registered holder of Existing Shares and having an address in New Zealand or Australia, unless that person holds Shares on behalf of another person who resides outside New Zealand or Australia. For the avoidance of doubt, you are not eligible to participate in the Offer if you are in the United States or are acting for the account or benefit of a person in the United States. If you are acting for the account or benefit of a person in the United States, you are not permitted to apply for or acquire Offer Shares for, or for the account or

benefit of, that person. Joint holders of Shares are taken to be a single registered holder of Shares for the purposes of determining whether they are an Eligible Shareholder and the certification on the online application or Application Form is taken to have been given by all of them.

- 2.2. If you are an Eligible Shareholder, your rights under this Offer are personal to you and non-renounceable, so you may not transfer them.
- 2.3. Synlait accepts no liability where an Eligible Shareholder does not receive an Application Form, or does not receive the Application Form in time.

3. ISSUE PRICE AND NUMBER OF OFFER SHARES

- 3.1. The Issue Price for Offer Shares under the Offer will be the lower of:
 - (a) NZ\$5.10 per Offer Share (representing a 14% discount to Synlait's last trading share price of NZ\$5.93 on the NZX Main Board on 9 November 2020 (being the last trading day before the Placement was announced) and which is the same price paid by investors in the Placement); and
 - (b) a 2.5% discount to the volume weighted average market price of the Shares traded on the NZX Main Board over the five business day period prior to and including the Closing Date, rounded down to the nearest cent.
- 3.2. The Issue Price and the A\$ Price will be fixed as at 7.00pm NZDT / 5.00pm AEDT on 25 November 2020 (being the Closing Date) and is expected to be announced through NZX and ASX on 30 November 2020.
- 3.3. The Issue Price determined above is a New Zealand dollar amount. If you apply for an Australian dollar amount of Offer Shares, Synlait will convert the New Zealand dollar Issue Price to Australian dollars at the Exchange Rate. The Issue Price in Australian dollars is expected to be announced through NZX and ASX on 30 November 2020.
- 3.4. Subject to scaling and clause 5.3 of these Terms and Conditions, you will receive the number of Offer Shares equal to the dollar amount of Offer Shares you have validly applied for (and payment has been received in respect of) divided by the Issue Price. If the dollar amount of Offer Shares you have applied for (or are allocated) does not equal a whole number of Offer Shares once divided by the Issue Price, the number of Offer Shares allotted to you will be rounded down to the nearest Offer Share.
- 3.5. Subject to clause 4.2 and clause 5.3 of these Terms and Conditions, Eligible Shareholders may elect to purchase a dollar amount of Offer Shares up to a maximum value of NZ\$50,000 / A\$47,000, by filling in the appropriate box on the online application or Application Form. The number of Offer Shares you receive on the Allotment Date may be subject to scaling, as described in clause 9 of these Terms and Conditions.
- 3.6. Eligible Shareholders may only make a single Application for Offer Shares under the Offer. This applies to all Eligible Shareholders, including those who receive more than one offer under the Offer (for example, because they hold Shares in more than one capacity) and including whether the Eligible Shareholder is applying through a Custodian or on his or her own behalf. Accordingly, if you own Shares through a trustee or Custodian and also own Shares in your own name, then you may either purchase Offer Shares yourself or instruct your trustee or Custodian to purchase Offer Shares on your behalf. You may not do both.

4. CUSTODIANS

- 4.1. Any Eligible Shareholder that:
 - (a) in the case of any Eligible Shareholder having a registered address in New Zealand, that:
 - (i) is a trustee corporation or a nominee company and holds Existing Shares on the Record Date by reason only of acting for another person in the ordinary course of business of that trustee corporation or nominee company; or
 - (ii) holds Shares by reason only of being a bare trustee of a trust to which the Shares are subject; or
 - (b) in the case of any Eligible Shareholder having a registered address in Australia, provides a custodial or depository service in relation to Shares and who:
 - (i) holds an Australian financial services licence covering the provision of a custodial or depository service;
 - (ii) is exempt from the requirement to hold an Australian financial services licence covering the provision of a custodial or depository service;
 - (iii) holds an Australian financial services licence covering the operation of an IDPS (as defined in ASIC Class Order CO/13/763) or is a responsible entity of an IDPS-like scheme (as defined in ASIC Class Order CO 13/762);
 - (iv) is a trustee of a self-managed superannuation fund or a superannuation master trust; or
 - (v) is a registered holder of Shares and is noted on the register of members of Synlait as holding the Shares on account of another person,is a Custodian under the Offer.
- 4.2. Custodians may apply to purchase Offer Shares for an amount greater than NZ\$50,000 / A\$47,000 under the Offer, provided the Custodian only applies for no more Offer Shares than collectively have an aggregate application price of NZ\$50,000 / A\$47,000 for each beneficial owner in New Zealand or Australia for which the Custodian acts as a custodian. Each beneficial owner may only direct the Custodian to apply on behalf of that beneficial owner for a single Offer Share parcel.
- 4.3. Custodians must confirm to Synlait that they are holding Shares as a custodian for beneficial owners by providing the written certification to Synlait described in clause 4.4 below by providing a Custodian Certificate. To request a Custodian Certificate, or if you would like further information on how to apply for Offer Shares as a Custodian, you should contact the Registrar at any time from 8.30am to 5.00pm Monday to Friday prior to the Closing Date. Each beneficial owner may only direct the Custodian to apply on behalf

of that beneficial owner for Offer Shares as described in clauses 3.5 and 3.6. A separate online application or Application Form must be completed for each beneficial owner.

4.4. If a Custodian applies to purchase Offer Shares on behalf of one or more beneficial owners, the Custodian must certify to Synlait in writing the following matters in the form and manner set out in the Custodian Certificate, together with the Application:

- (a) that the Custodian holds Shares on behalf of:
 - (i) one or more other persons that are not Custodians; and/or
 - (ii) another Custodian (Downstream Custodian) that holds beneficial interests in Shares on behalf of one or more other persons to which those interests relate, on 25 November 2020 at 7.00pm NZDT / 5.00pm AEDT (each a Participating Beneficiary) who have subsequently instructed the Custodian, and/or the Downstream Custodian, to apply for Offer Shares under the Offer on their behalf;
- (b) the number of those Participating Beneficiaries and their names and addresses;
- (c) in respect of each of the Participating Beneficiaries, the number of Shares that the Custodian holds and the dollar amount of Shares the Participating Beneficiary has instructed the Custodian, either directly or indirectly through a Downstream Custodian, to apply for on behalf of that Participating Beneficiary;
- (d) that there are no Participating Beneficiaries in respect of which the total of the application price for the following exceeds NZ\$50,000 / A\$47,000:
 - (i) the application price for Offer Shares applied for on their behalf under the Offer; and
 - (ii) the application price for any other Shares issued to the Custodian (as a result of an instruction given to the Custodian or a Downstream Custodian) for that Participating Beneficiary under any arrangement similar to the Offer in the 12 months prior to the application for Offer Shares under the Offer;
- (e) that a copy of this Offer Document was given to each Participating Beneficiary;
- (f) where the Custodian holds Shares on behalf of a Participating Beneficiary indirectly, through one or more Downstream Custodians, the name and address of each Downstream Custodian; and
- (g) that the beneficial owner on whose behalf the Custodian is submitting an Application is not making an Application as an Eligible Shareholder for Offer

Shares under the Offer, and no other Custodian is submitting an Application under the Offer for that beneficial owner.

4.5. Custodians are not permitted to participate in the Offer on behalf of, and must not distribute this document or any documents (including the Application Form) relating to this Offer to, any person in the United States. In the event that a Custodian is acting for the account or benefit of a person in the United States, it is not permitted to participate in respect of that person.

5. COMPLETING THE APPLICATION AND PAYING FOR OFFER SHARES

- 5.1. If you wish to participate in the Offer, you must complete an online application on the Offer website www.shareoffer.co.nz/synlait or the Application Form and make an electronic funds transfer in accordance with the instructions on the Offer website or the Application Form. Payments must be drawn on a New Zealand or Australian bank account. If you are a Custodian, you must also complete a Custodian Certificate which may be obtained from the Registrar.
- 5.2. Eligible Shareholders should make an electronic funds transfer for the dollar amount of Offer Shares applied for.
- 5.3. You can apply and pay for Offer Shares in New Zealand dollars or in Australian dollars. The Issue Price is a New Zealand dollar amount. That means that, if you apply for an Australian dollar amount of Offer Shares, Synlait will convert the New Zealand dollar Issue Price to Australian dollars at the Exchange Rate. If the Exchange Rate results in the A\$ amount you applied for exceeding the NZ\$50,000 regulatory limit, Offer Shares having a total issue price equal to NZ\$50,000 (rounded down) will be issued to you (subject to scaling) and you will be refunded the excess cash amount.
- 5.4. To be valid, Applications (and, if applicable, Custodian Certificates) must be received by Synlait by 7.00pm NZDT / 5.00pm AEDT on 25 November 2020. Applications (and, if applicable, Custodian Certificates) received after that date will only be accepted at Synlait's discretion. Application Forms and, if applicable, Custodian Certificates should be sent to the Registrar at the relevant address set out in the Directory.

6. SYNLAIT'S DISCRETION TO ACCEPT, REJECT OR SCALE BACK APPLICATIONS

- 6.1. Synlait has discretion to accept or reject your Application to purchase Offer Shares under the Offer, including (without limitation) if:
 - (a) your Application Form or Custodian Certificate (if applicable) or online application is incorrectly completed or incomplete or otherwise determined by Synlait to be invalid;
 - (b) your payment is dishonoured or has not been completed correctly;

- (c) it appears that you are applying to buy more than NZ\$50,000 / A\$47,000 of Offer Shares (except if you are a Custodian applying on behalf of more than one beneficial owner in accordance with clause 4.2);
- (d) your Application, Custodian Certificate (if applicable) or payment is received after the Closing Date. While Synlait has discretion to accept late Applications, Custodian Certificates (if applicable) and payments, there is no assurance that it will do so. Late Applications, Custodian Certificates (if applicable) and payments, if not processed, will be returned to you at your registered address within five business days of the Allotment Date or within five business days of the date of receipt in respect of any late Application received after the Allotment Date. No interest will be paid on any application monies returned to you;
- (e) Synlait believes that you are not an Eligible Shareholder or Custodian; or
- (f) Synlait considers that your Application does not comply with these Terms and Conditions.

6.2. Synlait reserves the right to scale back, at its absolute discretion, any Application for Offer Shares under the Offer, subject to clause 9 of these Terms and Conditions. Synlait reserves the right to terminate the Offer and reject all Applications at any time prior to the issue of the Offer Shares on the Allotment Date.

6.3. If an Application is rejected, all of the relevant amounts will be refunded to the applicant. If Applications are scaled back, the applicant will receive the number of Offer Shares in respect of which the Application is accepted at the Issue Price and a refund of the balance of the relevant application monies.

6.4. Refunds will not be paid for any difference arising solely due to rounding or where the aggregate amount of the refund payable to an applicant is less than NZ\$5.00 with such funds being retained by Synlait. All refunds will be made without interest.

6.5. Refunds will be made by direct credit only to the bank account held by the Registrar. Any refunds will be issued within five business days following the Allotment Date. However, if you have not provided your bank account details to the Registrar, such funds will be withheld by the Registrar until you have provided those bank account details.

7. SIGNIFICANCE OF SENDING IN AN APPLICATION / REPRESENTATIONS, WARRANTIES AND AGREEMENTS

- 7.1. If you apply to participate in the Offer by completing and returning the Application Form or completing an online application (and, if applicable, a Custodian Certificate) you will be deemed to make the following representations, warranties and agreements:
- (a) you confirm that you have received, read and understood this Offer Document (including the "Important Information" section) and the Investor Presentation (including pages 18 to 23 of the Investor Presentation ("Key Risks")) in their entirety;
 - (b) you agree that your Application, on these Terms and Conditions, will be irrevocable and unconditional (i.e., it cannot be withdrawn);
 - (c) you certify to Synlait that you are an Eligible Shareholder entitled to apply for Offer Shares under these Terms and Conditions and that all details and statements in your Application are complete and accurate;
 - (d) you agree to be bound by the Constitution;
 - (e) you acknowledge that the Offer may be withdrawn by Synlait at its discretion and may not proceed;
 - (f) you certify that your acceptance of the Offer will not be, or cause, a breach of any law in any jurisdiction;
 - (g) you certify to Synlait that you are not applying for Offer Shares under the Offer with an application value in excess of NZ\$50,000 / A\$47,000, even though you may have received more than one offer under the Offer or received offers in more than one capacity under the Offer;
 - (h) you certify to Synlait that you are not applying for Offer Shares under the Offer with an application value in excess of NZ\$50,000 / A\$47,000 from the following:
 - (i) the Offer Shares under the Offer which are the subject of the Application;
 - (ii) any other Shares issued to you under the Offer, or securities or interests in the class issued under any similar arrangement in the 12 months before the Application;
 - (iii) any other Offer Shares or interests in the class which you have instructed a Custodian to acquire on your behalf under the Offer; and
 - (iv) any other Shares or interests in the class issued to a Custodian in the 12 months before the Application as a result of an instruction given by you to the Custodian to apply for Shares on your behalf under an arrangement similar to the Offer;

- (i) without limiting Synlait's discretion to accept, reject or scale back any Applications, you authorise Synlait (and its officers or agents) to correct any error in, or omission from, your Application (and, if applicable, your Custodian Certificate) and to complete the Application (and, if applicable, your Custodian Certificate) by the insertion of any missing details;
 - (j) you acknowledge that Synlait may at any time irrevocably determine that your Application (and, if applicable, your Custodian Certificate) is valid, in accordance with these Terms and Conditions, even if the Application (and, if applicable, your Custodian Certificate) is incomplete, contains errors or is otherwise defective;
 - (k) you accept the risk associated with any refund that may be despatched to you by cheque to your address set out in the Application;
 - (l) you agree to indemnify Synlait for, and to pay to Synlait within five business days of demand, any dishonour fees or other costs Synlait may incur in presenting a cheque for payment which is dishonoured;
 - (m) you acknowledge that none of Synlait, its advisers or agents has provided you with investment advice or financial product advice, and that none of them has an obligation to provide advice concerning your decision to apply for and purchase Offer Shares under the Offer;
 - (n) you acknowledge the risk that the market price for the Shares may change materially between the Opening Date, the date you apply for Offer Shares under the Offer and the Allotment Date. This is particularly the case given the wide fluctuations and volatility in the share prices for many listed companies in recent times due to the continuing impacts of COVID-19. Accordingly, you acknowledge that:
 - (i) the price paid for Offer Shares may be higher or lower than the price at which Shares are trading on the NZX Main Board or the ASX at the time Offer Shares are issued under the Offer;
 - (ii) the market price of Offer Shares following allotment may be higher or lower than the Issue Price;
 - (iii) it is possible that up to or after the Allotment Date, you may be able to buy Shares at a lower price than the Issue Price; and
 - (iv) a change in the market price of Shares prior to the Issue Price being determined may affect the Issue Price;
 - (o) you acknowledge that Synlait is not liable for any exercise of its discretions referred to in these Terms and Conditions;
 - (p) you represent and warrant that you are not located in the United States and you are not acting for the account or benefit of a person in the United States (or in the event that you are acting for the account or benefit of a person in the United States, you are not applying for, or acquiring, any Offer Shares for the account or benefit of that person);
 - (q) you have not, and will not, send this Offer Document or any materials relating to the Offer to any person in the United States or to any person in any country outside New Zealand and Australia, and agree to provide (and direct your nominee or custodian to provide) any requested substantiation of your eligibility to participate in the Offer and of your holding of Shares at the Record Date;
 - (r) you acknowledge and agree that the Offer Shares have not, and will not be, registered under the U.S. Securities Act or the securities laws of any state or other jurisdictions in the United States, or in any other jurisdiction outside New Zealand or Australia and accordingly, the Offer Shares may not be offered, sold or otherwise transferred, directly or indirectly, in the United States or to any person acting for the account or benefit of a person in the United States (to the extent such person is acting for the account or benefit of a person in the United States);
 - (s) you acknowledge and agree that, if in the future you decide to sell or otherwise transfer the Offer Shares, you will only do so in the regular way for transactions on the NZX Main Board or ASX where neither you nor any person acting on your behalf know, or have reason to know, that the sale has been pre-arranged with, or that the purchaser is a person in the United States;
 - (t) you irrevocably and unconditionally agree to these Terms and Conditions and agree not to do any act or thing which would be contrary to the spirit, intention or purpose of the Offer; and
 - (u) if you are acting as a trustee, nominee or Custodian, each beneficial holder on whose behalf you are applying for and acquiring Offer Shares is resident in New Zealand or Australia and is not in the United States.
- 7.2. If a Custodian applies to purchase Offer Shares under the Offer for a beneficial owner pursuant to clause 4.2:
- (a) the certifications referred to in clauses 7.1(c) and 7.1(g) will be taken to be given by the beneficial owner on whose behalf the Custodian is applying to purchase Offer Shares; and
 - (b) in addition to the matters referred to in clause 7.1, the Custodian also certifies each of the matters set out in the Custodian Certificate.

8. ISSUE PRICE

- 8.1. You agree to pay the Issue Price per Offer Share up to the maximum dollar amount you have specified in your online application or on the Application Form.

9. SCALING

- 9.1. Scaling of Applications will be required if Synlait receives Applications in excess of the maximum amount to be raised under the Offer, being NZ\$20 million.
- 9.2. Any scaling of Applications will be undertaken by Synlait having regard to the number of Existing Shares held by the applicant (or, in the case of an Application made by a Custodian, the relevant beneficial owner(s)) at the Record Date.
- 9.3. If scaling produces a fractional number, the number of Offer Shares you will be allotted will be rounded down to the nearest whole number of Offer Shares.
- 9.4. If your Application is scaled, your application monies will be greater than the value of the Offer Shares you will be allotted. Subject to clause 6.4, the difference will be refunded to the bank account held by the Registrar within five business days of the Allotment Date. However, if you have not provided your bank account details to the Registrar, such funds will be withheld by the Registrar until you have provided those bank account details. No interest will be paid on any application monies returned to you.

10. OFFER SHARES

- 10.1. Offer Shares issued under the Offer will rank equally with, and have the same voting rights, dividend rights and other entitlements as, existing fully paid Shares quoted on the NZX Main Board and the ASX.
- 10.2. Applicants for Offer Shares will be bound by the Constitution and the terms of the Offer set out in this Offer Document.
- 10.3. It is a term of the Offer that Synlait will take any necessary steps to ensure that the Offer Shares are immediately after issue quoted on the NZX Main Board and the ASX.
- 10.4. The Offer Shares will be quoted on the NZX Main Board, and an application will be made by Synlait for the Offer Shares to be issued under the Offer to be quoted on the ASX. The NZX Main Board is a registered market operated by NZX (which is a licensed market operator regulated under the Financial Markets Conduct Act 2013). However, neither NZX nor ASX accepts any responsibility for any statement in this Offer Document.
- 10.5. You cannot trade in any Offer Shares issued to you pursuant to the Offer, either as principal or agent, until quotation of the Offer Shares on the NZX Main Board and the ASX (as relevant) in accordance with the Listing Rules and the ASX Listing Rules. Synlait expects that the Offer Shares will commence trading on the NZX Main Board on the Allotment Date, and on the ASX on 2 December 2020 (being the day after the Allotment Date).

11. AMENDMENTS TO THE OFFER AND WAIVER OF COMPLIANCE

- 11.1. Notwithstanding any other term or condition of the Offer, the Application Form and/or the Offer website, Synlait may, at its discretion:
 - (a) make non-material modifications to the Offer or the Terms and Conditions (in which case Applications for Offer Shares under the Offer will remain binding on the applicant notwithstanding such modification and irrespective of whether an Application was received by the Registrar before or after such modification is made); and/or
 - (b) suspend or terminate the Offer at any time prior to the issue of Offer Shares under the Offer. If the Offer is terminated, Application monies will be refunded to applicants without interest within five business days of termination.
- 11.2. Synlait reserves the right to waive compliance with any provision of these Terms and Conditions (which will be done in accordance with Australian and New Zealand law, including the Listing Rules and the ASX Listing Rules).
- 11.3. If Synlait waives compliance with any provision of these Terms and Conditions, such waiver will apply to all Eligible Shareholders.
- 11.4. Synlait will notify NZX and ASX of any waiver, amendment, variation, suspension, withdrawal or termination of the Offer.

12. GOVERNING LAW

- 12.1. These Terms and Conditions shall be governed by and construed in accordance with the laws of New Zealand.

13. DISPUTES

- 13.1. If any dispute arises in connection with the Offer, Synlait may settle it in any manner it thinks fit. It may do so generally or in relation to any particular Eligible Shareholder, applicant, Application or Share. Synlait's decision will be final and binding.

14. INCONSISTENCY

- 14.1. Unless otherwise determined by the Board, in the event of any inconsistency between the Terms and Conditions of the Offer and:
 - (a) the accompanying letter from the Chair and Questions and Answers, the Terms and Conditions take precedence; and
 - (b) the Constitution, the Constitution shall prevail.

PART 5: GLOSSARY

A\$	Australian dollars, being the lawful currency of Australia.
A\$ Price	The Australian dollar equivalent of the Issue Price determined using the Exchange Rate and rounded to the nearest cent, which will be announced by Synlait on 30 November 2020.
Allotment Date	On or around 1 December 2020, unless extended.
Application	An application for Offer Shares under the Offer made using an Application Form or an online application made through www.shareoffer.co.nz/synlait .
Application Form	The personalised application form relating to the Offer that you received with this Offer Document, including the instructions on the reverse of the form.
ASIC	The Australian Securities and Investments Commission.
ASX	ASX Limited, or the exchange operated by it, as the context requires.
ASX Listing Rules	The listing rules of the ASX as they apply to Synlait as a foreign exempt listed issuer, as amended from time to time and for so long as Synlait is admitted to the official list of such exchange.
Board	The board of directors of Synlait.
Bright	Bright Dairy Holding Limited.
Bright Deferred Placement Shares	Such number of Shares allocated to Bright under the Placement that upon issue on the Allotment Date will ensure Bright's holding in Synlait remains at 39.01% of the Shares on issue.
Bright Placement	The placement of Bright Deferred Placement Shares to be issued on the Allotment Date.
Class Waiver	The class waiver and ruling issued by NZX Regulation dated 30 September 2020.
Closing Date	25 November 2020, unless extended.
Constitution	Synlait's constitution.
Custodian	Has the meaning given to that term in clause 4.1 of the Terms and Conditions.
Custodian Certificate	The certificate that must be submitted by an applicant that is a Custodian together with that applicant's Application Form (available on request from the Registrar).
Despatch Date	On or around 9 December 2020, unless extended.
Downstream Custodian	Has the meaning given to that term in clause 4.4 of the Terms and Conditions.
Eligible Shareholder	A person who, at 7.00pm NZDT / 5.00pm AEDT on the Record Date, was recorded in Synlait's share register as being a registered holder of Existing Shares and having an address in New Zealand or Australia, unless that person holds Shares on behalf of another person who resides outside New Zealand or Australia. For the avoidance of doubt, a person is not eligible to participate in the Offer if that person is in the United States or is acting for the account or benefit of a person in the United States. If a person is acting for the account or benefit of a person in the United States, it is not permitted to apply for or acquire Offer Shares for, or for the account or benefit of, that person.
Exchange Rate	The NZ\$:A\$ exchange rate published by the New Zealand Reserve Bank on its website at 7.00pm NZDT / 5.00pm AEDT on the Closing Date.
Existing Share	A Share on issue on the Record Date.
Initial Placement	The placement of new Shares to eligible institutional investors in New Zealand, Australia and selected overseas jurisdictions to raise approximately \$167.2 million, to be issued on 18 November 2020.
Issue Price	The lower of: (a) NZ\$5.10 per Offer Share (being the price paid by investors in the Placement); and (b) a 2.5% discount to the volume weighted average market price of the Shares traded on the NZX Main Board over the five business day period prior to and including the Closing Date, rounded down to the nearest cent.

Listing Rules	The NZX Listing Rules.
NZX	NZX Limited.
NZX Main Board	The main board equity security market operated by NZX.
NZX Waivers	The Class Waiver and the Synlait Waiver.
NZ\$	New Zealand dollars, being the lawful currency of New Zealand.
Offer	The offer detailed in the Terms and Conditions set out in this Offer Document.
Offer Document	This offer document.
Offer Shares	The Shares offered under the Offer.
Opening Date	13 November 2020.
Participating Beneficiary	Has the meaning given to that term in clause 4.4 of the Terms and Conditions.
Placement	The placement of Shares in Synlait announced on 10 November 2020 at a price of NZ\$5.10 per Share, to raise approximately \$180 million comprising, the Initial Placement and the Bright Placement.
Record Date	9 November 2020.
Registrar	Computershare Investor Services Limited.
Settlement Date	1 December 2020, being the Allotment Date.
Shares	Ordinary shares of Synlait.
Synlait	Synlait Milk Limited.
Synlait Waiver	The waiver issued by NZX Regulation in favour of Synlait dated 10 November 2020.
Terms and Conditions	The terms and conditions of this Offer as set out in Part 4 of this Offer Document.
U.S. Person	Has the meaning given to it in Regulation S of the U.S. Securities Act.

PART 6: DIRECTORY

ISSUER

Synlait Milk Limited
1028 Heselton Road,
RD13
Rakaia 7783

DIRECTORS OF SYNLAIT MILK LIMITED

Graeme Milne	Independent Chair
Bill Roest	Independent Director
Sam Knowles	Independent Director
Dr. John Penno	Director
Min Ben	Director
Qikai (Albert) Lu	Director
Hon. Ruth Richardson	Director
Sihang Yang	Director

NEW ZEALAND LEGAL ADVISER

Bell Gully

Level 21
Vero Centre
48 Shortland Street
Auckland 1010

Level 21
ANZ Centre
171 Featherston Street
Wellington 6011

LEAD MANAGERS AND UNDERWRITER

Jarden Securities Limited (as Lead Manager)

Jarden Partners Limited (as Underwriter)

Level 32, PwC Tower
15 Customs Street West
Commercial Bay
Auckland 1010

If you have any queries about how to apply, please contact the Registrar at:

REGISTRAR

NEW ZEALAND

Computershare Investor Services Limited

Level 2, 159 Hurstmere Road
Takapuna, Auckland 0622
Private Bag 92119, Auckland 1142
New Zealand

Phone: 0800 650 034

Email: synlait@computershare.co.nz

AUSTRALIA

Computershare Investor Services Pty Limited

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GPO Box 2975
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Australia

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Synlait